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10 UNITED STATES BANKRUPTCY COURT
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 In re:

14 PG&E CORPORATION,

15 -and-

16 PACIFIC GAS & ELECTRIC COMPANY,

17 Debtors,

18 Affects PG&E Corporation

19 Affects Pacific Gas and Electric Company

20 Affects both Debtors

21 *All papers shall be filed in the Lead Case,
22 No. 19-30088 (DM)*

Case No.: 19-30088-DM

Chapter 11

STATEMENT OF CITY AND COUNTY
OF SAN FRANCISCO IN SUPPORT OF
MOTION BY TURN FOR
APPOINTMENT OF OFFICIAL
COMMITTEE OF RATEPAYER
CLAIMANTS PURSUANT TO 11 U.S.C.
§§ 1102(a)(2), 105(a)

DATE: May 8, 2019

TIME: 9:30 am

PLACE: Courtroom 17
450 Golden Gate Avenue, 16th Fl.
San Francisco, California

JUDGE: Hon. Dennis Montali

23 RELATED DOCKET NOS: 1324

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26 The City and County of San Francisco ("San Francisco") in the above-captioned chapter 11
27 cases of Pacific Gas and Electric Company (the "Utility") and PG&E Corporation ("PG&E Corp.")

1 and, together with the Utility, the “**Debtors**”), hereby submits this statement in support of the Motion
2 by TURN for Appointment of Official Committee of Ratepayer Claimants Pursuant to 11 U.S.C. §§
3 1102(a)(2), 105(a) (the “**TURN Motion**”) [Docket No. 1324].

4 Pacific Gas and Electric Company is the investor-owned utility that serves San Francisco. The
5 citizens of San Francisco are impacted by the Utility’s rates regardless of whether they take gas and
6 electric service solely from the Utility, or are customers of San Francisco’s publicly-owned utility or
7 San Francisco’s community choice aggregation program (“**CCA**”), CleanPowerSF. Therefore, San
8 Francisco strongly supports an official committee to advocate on behalf of ratepayers.

9 San Francisco agrees with TURN that ratepayers represent unique interests in these
10 proceedings. Indeed, while San Francisco in no way intends to minimize the critical interests of fire
11 victims and their communities (and San Francisco is pleased that a committee has been formed to
12 represent their interests), ratepayers likely represent one of the largest interests in terms of the long-
13 term monetary impacts of the Utility’s bankruptcy. That is because of the Utility’s ability to
14 potentially recover its costs, including claims paid to other creditors, by passing them on to ratepayers
15 – this is a very different posture than other creditors in these bankruptcy cases. Given these unique
16 interests, the two current official committees representing general unsecured creditors and fire
17 victims/tort claimants, as presently constituted, do not adequately represent ratepayers.

18 In support of the TURN Motion, San Francisco notes the extraordinary nature of these
19 bankruptcy cases. This is the second time in the past 18 years that the Utility has declared bankruptcy.
20 As a result of the Utility’s prior bankruptcy, ratepayers paid costs in the *billions of dollars* through
21 increased rates. The Utility’s customers already pay some of the highest rates in the country and the
22 current bankruptcy cases will likely result in even higher rates. The Utility has already requested an
23 increase in revenue for 2020 of \$1.2 billion. The possible effects on ratepayers are substantial, long-
24 term financial burdens that the Utility’s customers could bear for many years to come.

25 San Francisco also agrees with TURN that a ratepayer committee should represent a broad
26 diversity of ratepayer interests. In that regard, San Francisco suggests that, if formed, the committee
27 includes ratepayers from communities that have been, or are in danger of being, affected by
28 catastrophic wildfires. The looming threat of wildfires gives such ratepayers a perspective that is

markedly different from that of consumer groups that regularly represent ratepayers before the California Public Utilities Commission. The committee should also include CCA ratepayers, who are uniquely situated among the Utility's other ratepayers. Although they receive competitive electric generation supply from their local communities, they also pay for the Utility's recovery of above-market procurement costs and receive other services, such as transmission and distribution, from the Utility.

To be clear San Francisco does not intend to participate on a ratepayers committee should the Court direct the U.S. Trustee to appoint one, due to San Francisco's serious interest in negotiating with the Utility to acquire electric infrastructure assets in the City and County, subject ultimately to approval of this Court. San Francisco is currently undertaking a due diligence and feasibility analysis to inform its decision about making an offer. But San Francisco urges the appointment of an official ratepayers committee to ensure that ratepayers' distinct interests have a formal avenue to be effectively and efficiently represented in these bankruptcy cases.

Respectfully submitted,

Dated: April 24, 2019

**GREENE RADOVSKY MALONEY
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By: /s/ Edward Tredinnick
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